

CONTRACT

FOR THE PROCUREMENT OF RADIO GATEWAY 7700

BETWEEN

STATE ENTERPRISE “ORO NAVIGACIJA”

AND

JOTRON AS

State Enterprise “Oro Navigacija” (hereinafter referred to as “Oro Navigacija” or the “Customer”), having its registered office at Rodūnios kelias 2, LT-021288 Vilnius, Lithuania, represented by Mindaugas Gustys, Director General, acting in compliance with the Articles of Association of the Enterprise,

And

Jotron AS (hereinafter referred to as “Jotron” or the “Supplier”), having its registered office at Østbyveien 1, NO-3280 Tjodalyng, Norway, represented by Merete Berdal, Managing Director, acting in compliance with the Articles of Association,

The Customer and the Supplier individually referred to as “Party” and collectively referred to as “Parties”), have entered into the contract (hereinafter referred to as the “Contract”) as follows:

I. GENERAL PROVISIONS

1. Acting in compliance with the Law on Procurement by entities operating in the water, energy, transport and postal services sectors of the Republic of Lithuania (hereinafter referred as the “Law on Procurement”), Oro Navigacija has entered into this Contract with Jotron, who was awarded the contract in accordance with the results of procurement of Radio Gateway 7700 (hereinafter referred to as “RGW 7700” or the “Goods”).
2. The Supplier’s Proposal Tender (Annex 1 to the Contract) shall constitute an integral part of the Contract.

II. SUBJECT MATTER OF THE CONTRACT

3. The Supplier shall deliver to the Customer the RGW 7700 (4 pieces), and the Customer shall accept the Goods and shall pay for them the Contract Price following the procedures and conditions determined in this Contract.

III. PRICE OF THE CONTRACT

4. The Contract Price is EUR 12 000 (twelve thousand euros) excluding VAT. The delivery costs shall be included to the Contract Price.
5. The cost of the Goods shall be fixed and firm, not subject to any price adjustment for the entire duration of the Contract.
6. Any and all taxes, whether direct or indirect, and/or any withholdings, rates, duties, consular expenses, charges and encumbrances, whether present or future, of Lithuania origin or which may be imposed pursuant to the law of Lithuania, shall be borne by the Customer and under no circumstances the aforesaid charges shall affect the Supplier.



IV. DELIVERY OF THE GOODS

7. The Supplier shall provide with the Goods delivered to Oro Navigacija all documents required for handling of customs and border formalities:

- 7.1. invoice specifying the description and quantity of the Goods, unit price and total amount;
- 7.2. waybill specifying the terms and conditions of the transportation of the Goods;
- 7.3. packing list.

8. The Supplier shall e-mail a notice to Oro Navigacija on the delivery of the Goods at least three (3) working days prior to the dispatch thereof.

9. The Supplier delivers the Goods in compliance with the terms CIP– Vilnius International Airport under Incoterms 2010 (commercial terms developed by the International Chamber of Commerce).

10. The Supplier is responsible for proper declaration of the preferential origin of the Goods. If it is necessary for the customs clearance the Supplier following the Oro Navigacija request shall submit to Oro Navigacija the EUR1 Movement Certificate for the Goods.

11. Oro Navigacija shall have right to inspect the delivered Goods without unpacking any parcels and opening any cases at the place of their delivery and immediately inform the Supplier on any identified defects.

V. CONTRACT TIME LIMITS AND PLACE OF DELIVERY

12. The RGW 7700 shall be delivered no later than within fourteen (14) days after signing the Contract. This term may be extended by seven (7) days.

13. The place of delivery of the Goods: **State Enterprise “Oro Navigacija”, Rodūnios kelias 2, Vilnius.**

14. Title to the Goods shall pass to the Customer on payment in full. The transfer of risk for the Goods shall take place from the Supplier to the Customer according to the delivery Conditions as described in paragraph 9 of this Contract.

VI. TERMS AND CONDITIONS OF PAYMENT

15. The Customer shall pay after the delivery of the Goods and not later than within thirty (30) days from the date of receipt of the invoice which shall be submitted by the Supplier not later than within five (5) working days from the date of signing the acceptance certificate.

16. Payments shall be transferred in Euros to the bank account indicated by the Supplier in accordance with the issued invoice. Invoices shall be submitted via the information system “E. sąskaita” or by e-mail. The website of electronic services “E. sąskaita” is accessible at the address: www.esaskaita.eu.

VIII. WARRANTY

17. The Supplier warrants that the Goods are new and were not used anywhere else.
18. The Supplier warrants that the Goods conform to the Supplier's Proposal (Annex 1 to the Contract).
19. The warranty period of the Goods shall be twelve (12) months from the date of receipt. During the warranty period the Supplier is obligated at his expense and as soon as possible:
- 18.1. to eliminate major and other defects within thirty (30) working days;
- 18.2. to repair or replace defected parts of the Goods with new ones within thirty (30) days.
20. Jotron's warranty obligations shall be contingent upon receiving from the Customer written notification within ten (10) calendar days after appearance of the defect or failure, containing details of the circumstances of discovery by the Customer and nature of the defect or failure.

IX. FORCE MAJEURE CIRCUMSTANCES

21. Any Party shall be exempted from liability for partial or complete non-performance of the assumed obligations, if such non-performance is a consequence of the force majeure circumstances stipulated in the laws of the Republic of Lithuania.
22. A Party who failed to perform its contractual obligations in a result of the force majeure circumstances shall be obliged to inform the other Party to this effect in writing within ten (10) calendar days.
23. Later submission of such a notice or non-delivery of the notice shall deprive the Party from the right to claim the force majeure circumstances as a basis exempting the affected Party from the liability for delayed fulfilment or non-fulfilment of the assumed obligation and payment of damages.
24. In case of the force majeure circumstances, fulfilment of both Parties' obligations shall be postponed for the period set by the Parties, without giving the Parties the right to terminate or cancel the Contract. Should the force majeure circumstances last for a period exceeding three (3) months, any of the Parties shall be entitled to terminate the Contract after giving a written notice to the other Party.
25. None of the Parties shall be entitled to a compensation for loss incurred in a result of complete or partial non-fulfillment or termination of the Contract ensuing the force majeure circumstances.

X. PRE-AGREED LOSS AND COMPENSATIONS

26. If the Supplier fails to fulfil his contractual obligations within the period fixed in the Contract, the Supplier shall pay a default interest in the amount of zero point zero two per cent (0.02%) of the price of the Contract to the Customer for each day overdue.
27. If the Customer fails to fulfil, or improperly fulfils, the terms and conditions stipulated in this Contract with regard to payment for the delivered Goods, the Customer, at Supplier's request, shall

pay a default interest in the amount of zero point zero two per cent (0.02%) of the price of the delayed amount for each day of delay.

28. Total liability of one Party to the other Party in relation to all the requirements and obligation hereunder shall be limited to direct and demonstrable damages and shall not, to the extent not contradicting to the Lithuanian law, exceed one hundred per cent (100%) of the Contract price.

XI. TERMINATION OF THE CONTRACT

29. The Contract may be terminated under a mutual written agreement between the parties.

30. The Customer, acting in compliance with the contractual provisions herein, shall have the right to terminate the Contract by informing the Supplier in writing at least 10 calendar days in advance in the following cases:

29.1. the Supplier violates the Contract to such an extent that fulfillment of the Contract is jeopardised in essence and the Supplier does not take any measures to rectify the violation after receipt of a written notice from the Customer to this effect at least twenty (20) days beforehand;

29.2. the Supplier is undergoing a bankruptcy, restructuring or liquidation procedure, or suspends his economic activities;

29.3. due to other reasons indicated in the legislation.

31. The Supplier shall have the right to unilaterally terminate the Contract by informing the Customer in writing at least 10 calendar days in advance, if the Customer fails to provide payment for over 10 calendar days.

XII. APPLICABLE LAW. SETTLEMENT OF DISPUTES

32. This Contract shall be governed by the laws of the Republic of Lithuania.

33. Any disputes between the parties arising in performance of the Contract or relating thereto will be settled by amicable negotiations between the Supplier and the Customer.

34. In case of Parties' failure to resolve a dispute arising out of implementation of this Contract by way of negotiations within thirty (30) days, such a dispute shall be handled by a court of law under the procedure established by the laws of the Republic of Lithuania based on the location of the registered office of the Customer.

35. The hearings of the court of arbitration will take place in Vilnius.

XV. AMENDMENT AND VALIDITY OF THE CONTRACT

36. The Contract shall come into force on the date of being signed by the Parties and shall stay in effect until fulfilment of all obligations of the Parties, but not longer than two (2) month.

37. Any amendments and/or supplements to the Contract shall be deemed valid if made in writing and signed by the authorised representatives of the Parties to the Contract.

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38. Any annexes, amendments and supplements to the Contract shall constitute integral parts thereof.
39. The Parties must inform each other within five (5) days about any changes in their legal addresses, telephone or fax numbers, or any other information.
40. The Customer delegates responsible person for the performance of the Contract:
Algirdas Paukštė, e-mail: paukste.a@ans.lt, tel. +370 706 94629, mob. tel. +370 698 28707.
41. The Supplier delegates responsible person for the performance of the Contract:
Merete Berdal, e-mail: merete.berdal@jotron.com, tel. +47 977 78 399.
42. The Contract is drawn in two copies in Lithuanian and in English languages each, one copy for each Party. In case of any discrepancies, the text in Lithuanian shall prevail.

XVI. ANEXES TO THE CONTRACT

43. The following Annex 1 “The Supplier’s Tender”, is attached here to form an integral part of the Contract.

XVII. LEGAL ADDRESSES OF THE PARTIES

Customer

State Enterprise “Oro Navigacija”

Rodūnios kelias 2
LT-02188 Vilnius, Lithuania
Tel.: +370 706 94502
E-mail: info@ans.lt

Supplier

Jotron AS

Østbyveien 1
NO-3280 Tjodalyng, Norway
Tel.: +47 33 13 97 00
E-mail: sales@jotron.com

XVIII. SIGNATURES OF THE PARTIES

On behalf of
State Enterprise “Oro Navigacija”

On behalf of
Jotron AS



(Signature)

(Signature)

Mindaugas Gustys
Director General

Merete Berdal
Managing Director